

**MICHIGAN EMPLOYMENT SECURITY ACT (EXCERPT)**  
**Act 1 of 1936 (Ex. Sess.)**

**421.8 Legislative purpose; annual review of maximum weekly benefit rates; comparison of consumers' price index; "base month" defined; determining percentage of increase or decrease; report.**

Sec. 8. A basic purpose of this act is to lighten the burden of involuntary unemployment on the unemployed worker and his family. In view of this, the maximum weekly benefit rates under section 27(b) are related to the cost of the necessities of life for the various dependency classes recognized in that section. At the same time, the legislature has concluded that the maximum weekly benefit rates established in that section will finance the most favorable standard of living consistent with maintaining for unemployed individuals generally a proper incentive to seek and accept new work. To maintain this optimum relationship between maximum weekly benefit rates and the standard of living of the unemployed individual, the maximum weekly benefit rates established shall be reviewed annually. The commission shall annually, not later than February 28, compare the United States department of labor's consumers' price index for the preceding December with the corresponding United States department of labor's consumers' price index for the base month. The base month, as used in this subsection, means the month of June 1974, which shall remain the base month until the next adjustment of maximum weekly benefit rates is made. Thereafter, the base month shall be the month of December preceding the most recent calendar year in which an adjustment of maximum weekly benefit rates is made. If in a calendar year the United States department of labor's consumers' price index for the preceding December has increased or decreased as compared to the base month, the commission shall determine the percentage of that increase or decrease. The commission shall then multiply the maximum weekly benefit rate for each dependency class by this percentage. If the product thus obtained is \$1.00, or more, the commission shall report that fact to the governor, the legislature, and the Michigan employment security advisory council.

**History:** 1936, Ex. Sess., Act 1, Imd. Eff. Dec. 24, 1936;—Am. 1941, Act 364, Imd. Eff. July 1, 1941;—Am. 1947, Act 360, Imd. Eff. July 8, 1947;—CL 1948, 421.8;—Am. 1967, Act 254, Imd. Eff. July 10, 1967;—Am. 1968, Act 338, Imd. Eff. July 19, 1968;—Am. 1970, Act 14, Imd. Eff. Apr. 14, 1970;—Am. 1974, Act 104, Eff. June 9, 1974;—Am. 1978, Act 526, Imd. Eff. Dec. 20, 1978;—Am. 1996, Act 535, Imd. Eff. Jan. 13, 1997.